

Contract No.14-06-200-3537A

ASSUMPTION OF CONTRACT AND CONSENT THERETO

THIS ASSUMPTION OF CONTRACT AND CONSENT THERETO is made this 10<sup>th</sup> day of Oct., 2003 between THE UNITED STATES OF AMERICA (the United States ) and TRANQUILLITY PUBLIC UTILITY DISTRICT, with respect to that certain Contract Between the United States and Melvin D. Hughes and Mardella Hughes which established terms for the . delivery of 93 acre-feet of Schedule 2 water as a permanent adjustment and settlement of the asserted claims of rights to water in Fresno Slough tributary to the San Joaquin River and which provided for an additional firm supply of 70 acre feet of Central Valley Project water from the Delta-Mendota Canal.

EXPLANATORY RECITALS

WHEREAS, the United States entered into Contract No.14-06-200-3537A, with Melvin D. Hughes and Mardella Hughes, from October 11, 1967, to December 23, 2003 (Existing Contract); and

WHEREAS, Melvin D. Hughes and Mardella Hughes are now deceased and the property under Contract No. 14-06-200-3537A now belongs to Tranquillity Public Utility District as described in recorded deeds dated August 6, 1980 and November 12, 1987; and

WHEREAS, Tranquillity Public Utility District desires to assume and receive the benefit of the Existing Contract and the United States is willing to approve of and consent to such assumption.

NOW, THEREFORE, in consideration of the mutual and dependent covenants herein Contained, it is hereby agreed as follows:

ASSUMPTION OF CONTRACT

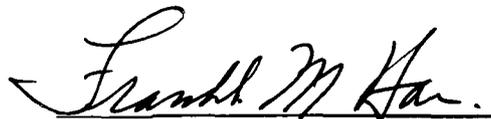
Tranquillity Public Utility District hereby assumes all right, title and interest in and to the Existing Contract between the United States and Melvin D. Hughes and Mardella Hughes, dated October 11, 1967. Unless expressly provided to the contrary in this contract, all terms used herein shall have the same meaning as is given to them in the Existing Contract. A copy of the Existing Contract is attached hereto as Exhibit "A" and incorporated herein by this reference.

CONSENT OF THE UNITED STATES

The United States hereby approves of the assumption of the Existing Contract to Tranquillity Public Utility District. Approval of this assumption by the United States does not revise or modify the underlying water right for the area in which the water under this assumption contract may be put to beneficial use.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals the day and year set forth next to their respective signatures below.

Dated: 08/29/03

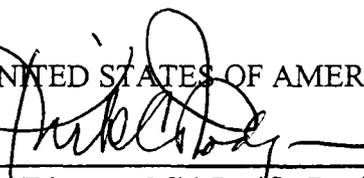


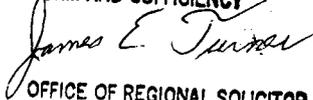
TRANQUILLITY PUBLIC UTILITY DISTRICT

Attest:   
By: District Secretary

Dated: \_\_\_\_\_

THE UNITED STATES OF AMERICA

By:   
Regional Director, Mid-Pacific Region Bureau of Reclamation

APPROVED AS TO LEGAL  
FORM AND SUFFICIENCY  
  
OFFICE OF REGIONAL SOLICITOR  
DEPARTMENT OF THE INTERIOR